

BOARD OF COMMISSIONERS MEETING
May 15, 2013
MINUTES

Board of Commissioners for Rockville Housing Enterprises met in Regular Session on May 15, 2013 at David Scull Community Center, 1201 First Street, Rockville, Maryland MD 20850.

PRESENT

Chair Edward Duffy
Vice Chair Virginia Onley
Commissioner Henry Battle
Commissioner Steve Marr
Commissioner Maung Tin Hlaing

IN ATTENDANCE

Ms. Ruth O'Sullivan, Executive Director
Ms. Stacy Brooks, Director of Housing Programs
Ms. Erin Wilson, City of Rockville Liaison
Ms. Bridget Newton, Mayor and Council Liaison
Ms. Mary Jones, Clerk

6:30p.m.

Chair Edward Duffy called the Regular Session Meeting of Rockville Housing Enterprises to order.

1. CONSENT ITEMS:

Chair Duffy asked for additions or corrections to the minutes for the Board of Commissioners Regular Session Meeting held on April 17, 2013. Commissioner Steve Marr offered a motion to accept the minutes for April 17, 2013. Commissioner Tin Hlaing offered a second. All voted aye.

2. CITIZENS FORUM:

There were no citizens asking to address the Board.

3. INFORMATION EXCHANGE:

Executive Director's Report

- Public Housing is 100% occupied.
- Housing Choice Voucher Program is experiencing a budget shortfall which will be addressed later as an agenda item.
- A check has been received from the State of Maryland for a Tax Refund originating at the purchase of Fireside Park in the amount of \$322,450. We will use this check to repay the money to Montgomery County tomorrow. This will allow the RHE loan to be rewritten with the County.

- Fireside Park is doing very well and the first senior resident from David Scull Courts is moving to Fireside Park. Another person, also a senior person will be moving to Fireside in June. Both of these residents are extremely happy about the move. Both are long term residents in good standing with RHE.
- We have a bill for trash removal from the City of Rockville that has not been paid due to an oversight. This bill is in the amount of \$22,000. to cover the past three years. Director O'Sullivan asked if the Board wanted her to request a waiver of these funds. The Board agreed that a request for waiver would be appropriate.
- Fireside Kettler is struggling to have everyone at Fireside recertify their income in an effort to show that the requirements for affordable housing are being met. Leasing efforts are directed at those looking to move into Fireside who meet income requirements for affordable units. Letters have been directed to the City and County asking for an extension until June 30 to complete the process. We want to show the leasing requirements are met having 50% of units leased to those meeting the affordable income guidelines. The County has encouraged that a time extension be requested until at least September 30, 2013 or the end of the year to demonstrate that the goals have been met.
- Commissioner Marr remarked on how well Fireside was progressing overall.
- In the interest of having people volunteer to have the income certification done, a letter was sent out to residents advising that there would be no rent increase this year for those who complete the certification process.
- A discussion related to the Housing Choice Voucher Program about landlord lease enforcement followed and it was agreed that we would start more landlord education on lease enforcement. It was thought that a "Lunch and Learn" would be appropriate to raise interest in education about lease enforcement.
- The Ross Service Coordinator Grant application was submitted after much persistence since there were multiple problems created due to a late start on the registration process.

City of Rockville Report

1. The FY 15 CBDG process has started at the City.
2. MPDU rents will probably not have any increase this year.
3. Chair Duffy asked if the income eligibility would remain the same. Ms Wilson replied that the household income would not change much.
4. Mayor and Council will begin discussions this week on the Adequate Public Facilities process.
5. A map showing updated Development projects within the City was distributed to the Commissioners showing some heavy development in the Twinbrook area. Ms Wilson briefly explained the site plans and the progression to building permits and then to those under construction.
6. Commissioner Marr remarked on the recent article in the *Washington Business Journal* indicating a large amount of rental housing being built to attract higher income renters.
7. Chair Duffy asked if any proposal to build elderly housing in the space where the Giant Food Store had been located on 355 had been introduced by JPG Builders. The answer was No.

4. ACTION ITEMS:

Ms. O'Sullivan discussed the fact that between budget cuts and sequestration the voucher program will be running out of money very soon. Ms. O'Sullivan is working with HUD to ensure this does not happen but HUD is requiring certain steps to be taken. In this vein, Ms. O'Sullivan asked for a resolution from the Board to reduce the payment standard for the Housing Choice Vouchers to 100% of Fair Market Rents (It is currently at 110% of fair market). This change would not take place immediately for families staying in place but would be at their next recertification date. Anyone moving would have the change take place immediately. Everyone would be at the new rate in two years. We are not absorbing and we are not taking anyone from the wait list to issue new vouchers. Ms. O'Sullivan also asked for a resolution to tighten occupancy standards. Ms. O'Sullivan is proposing to have two persons per room regardless of age, or gender. The change in unit size standards may require families to move or renegotiate their rent with the landlord as the unit size will affect which payment standard is available for the unit. Commissioner Marr offered a resolution to revise the Housing Choice Voucher Occupancy Standards and the Housing Choice Voucher Payment Standards as recommended by Director O'Sullivan. Commissioner Virginia Onley offered a second. All voted aye

5. COMMISSIONER COMMENTS:

Commissioner Steve Marr again remarked how pleased he was to see the financial numbers at Fireside Park.

Director O'Sullivan advised that Ken Tecler, Esq. who has been the attorney for Rockville Housing Enterprises is semi-retiring and downsizing his practice. He has recommended an attorney Mr. Kevin McParland, Esq. who is located in Bethesda with the firm of Bregman, Brebert, Schwartz and Gilday LLC (BBS&G). Mr. McParland will also be handling our Landlord Tenant Cases. Commissioner Marr asked about charges for his services. Director O'Sullivan advised that he will be charging us the same rate that Mr. Tecler has been using. Commissioner Marr asked if we had received any word regarding our audit that had been forwarded to HUD. Director O'Sullivan advised that we have taken the corrective action on the findings and that HUD has advised that they will set a date to review the files and advise when they will visit Rockville.

ADJOURN:

There being no further business to come before the Rockville Housing Enterprises Board in Regular Session, Chair Duffy adjourned the meeting.